



June 19, 2018

Item No. 7

**AUTHORIZATION TO EXECUTE A CONTRACT MODIFICATION
FOR CONTRACT 12034 PROFESSIONAL DESIGN SERVICES FOR THE CONVERSION
AND RENOVATION OF 1852 S. ALBANY**

Presenter: Diana C. Liu, Chief Construction Officer

Recommendation

The Chief Executive Officer recommends that the Board of Commissioners of the Chicago Housing Authority authorize the Chief Executive Officer (CEO) or his designee to execute modifications to the following contracts with Koo, LLC totaling \$169,775.00.

Contract #	Project	Amount
12034 Koo, LLC	Professional Design Services for the Conversion and Renovation of the Former Pope School (1852 S. Albany)	\$169,775.00
	Aggregate Total of Modifications	\$169,775.00

The requested action complies in all material respects with all applicable federal, state and local laws and Chicago Housing Authority board policies. The Capital Construction Department has verified that the amounts proposed to perform the work by the contractor are within an acceptable range of the CHA’s Independent Cost Estimates. Staff have completed all necessary due diligence to support the submission of this initiative.

Funding

Capital Construction Department Budget

Background

The Significant Actions Policy states, in part: “Board approval must be obtained prior to CHA incurring liabilities in excess of \$150,000. Modernization activities, change orders, or cumulative change orders in excess of 5% of the contract amount or \$150,000, whichever is greater, must receive Board approval.” This contract has reached the threshold requiring board approval.

The former Nathaniel Pope Elementary School is a decommissioned Chicago Public School building located in Chicago’s North Lawndale neighborhood at 1852 S. Albany Avenue and is adjacent to Douglas Park. The CHA purchased the building in August 2016 from the Chicago Board of Education and the Public Building Commission. The CHA awarded a contract to Koo, LLC at the September 2016 Board meeting for the professional design services to convert and renovate the former elementary school into a mixed-use building which will contain office space, residential units and community space. The contract award inclusive of approved contingency was in a total not-to-exceed amount of \$962,047.00. Since the September 2016 Board meeting, the project has undergone changes to increase the number of residential

units constructed, which is in furtherance of the CHA’s mission and goal to provide more housing, and also to enhance the community/theater space for the benefit of the surrounding community.

Upon the total completion of the project, as it has evolved, the renovated building will provide not fewer than nineteen (19) residential units (from the original fourteen (14) units) to be leased from CHA’s waitlist, new office space for the Housing Choice Voucher Program’s west satellite office and a renovated two-story 700 seat auditorium/theater for internal use and external community use. The goal of this project is to provide additional residential units, new community/theater space and to eliminate the costs associated with leasing private market rate office space for the HCV Program.

The scope of work for Contract No. 12034 with Koo, LLC is to provide all design and engineering services related to the renovation and conversion of the former Nathaniel Pope Elementary School including, but not limited to, the preparation of all drawings and specifications, the preparation of related contract documents, assistance in obtaining construction bids and permits, construction administration activities, and general service as the Architect-of-Record for the project located at 1852 South Albany Avenue.

Given the enhanced and updated project’s aggressive delivery timeframe and to maximize efficiency, the CHA has determined that it is in the best interest of the CHA to complete this renovation project in three (3) separate phases. The contract modification hereby recommended for approval is required to compensate the Architect-of-Record for the additional design services necessitated by the enhancements, plus construction administration and oversight services associated with the desired phasing of the project. Upon authorization of this contract modification, the revised total contract value for the Architect-of-Record will be an amount not to exceed \$1,176,995.00.

CHA has an established internal change order process that vets potential change orders prior to approval for additional contract values under the Significant Actions Policy and prior to seeking board approval for those above the threshold. The CHA Change Order process involves a comprehensive evaluation of a potential change by the change order committee comprised of CCD leadership and legal staff. The Change Order Committee meets once a week to review the reason, necessity and costs associated with any potential change orders. For each change order, the CHA prepares an independent cost estimate and compares this to the contractor’s proposal to ensure costs are reasonable.

The contract modification associated with the above contract is required to address the following issue:

VENDOR	CONTRACT NO.	MODIFICATION	AMOUNT	REASON FOR MODIFICATION
Koo LLC	12034	Additional design services for Construction Phase 3: Conversion and Renovation of the Third Floor and Auditorium Space	\$169,775.00	PCO 02 – Owner Directed
		Total Modifications for Contract 12034	\$169,775.00	

Vendor Information

Koo, LLC. Was founded by Jackie Koo in 2005 and is a Minority and Women owned business enterprise. The company encompasses a full-service architectural, interior design and planning firm. The firm provides a diverse portfolio of services including: urban design, architecture, interior design and sustainable design services. For the past five years, Koo, LLC. has provided architectural services to the CHA's Capital Construction Department as a vendor in the Architectural and Engineering Indefinite Delivery Indefinite Quantity (IDIQ) program.

Respectfully Submitted:

Diana C. Liu
Chief Construction Officer

Supplemental Information

Key Deliverables

- The contractor will provide professional design services for the renovation and conversion of Pope School including complete construction bid documents.
- This contract modification will compensate the Architect of Record and extend the contract completion date to divide construction work into three separate construction bid packages.
 - The revised contract completion date for Contract 12034 is June 30, 2020.

Contract Summary

Original Base Contract Value	Original Board Approved Contingency (5%)	Prior Modification not requiring Board Approval	Total Modifications Seeking June 2018 Board Approval	Revised Total Contract Value	Total Change Orders as a Cumulative Percentage of the Original Base Contract
\$916,235.00	\$45,812.00	\$45,173.00	\$169,775.00	\$1,176,995.00	28.46%

Timeline

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| • Chicago Board of Education Board Approval of Purchase | July 27, 2016 |
| • Public Building Commission Board Approval of Purchase | August 9, 2016 |
| • CHA Board Approval of Purchase Agreement | September 20, 2016 |
| • CHA Board Approval of Contract Award for Design | September 20, 2016 |
| • HUD Acquisition Approval | April 11, 2017 |
| • Procurement of General Contractor for Construction Phases | April-September 2018 |
| • Construction Start | June 2018 |
| • Construction Finish | 1st & 2 nd floor Office Space – November 2018; 3 rd floor residential and community/theater space – September 2019 |

RESOLUTION NO. 2018-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled “Authorization to Execute a Contract Modifications to Contract 12034 Professional Design Services for the Conversion and Renovation of 1852 S. Albany”.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract modification to C-12034 with Koo, LLC for professional design services for the conversion and renovation of 1852 S. Albany for a total amount not-to-exceed amount of \$169,775.00.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

Eugene E. Jones, Jr.
Chief Executive Officer
Chicago Housing Authority